



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Forestry, Fire & State Lands

A. JOEL FRANSEN
*State Forester/
Division Director*

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

SEPTEMBER 1, 2006, LEASE OFFERING
(bids to be opened by 3:00 p.m., September 26, 2006, at the Salt Lake City Office)

STATE OF UTAH
Division of Forestry, Fire and State Lands
1594 West North Temple Suite 3520
PO Box 145703
Salt Lake City UT 84114-5703

The Division of Forestry, Fire and State Lands is offering oil, gas and hydrocarbon leases by simultaneous filing on 2 tracts of state lands in Beaver and Sanpete Counties. In accordance with state law and Rules Governing the Management of State Lands and Forestry & Fire Control Activities in Utah. The filing period ends at 5:00 p.m., Monday, September 25, 2005.

Each application must be on the standard application form provided by the Division of Forestry, Fire and State Lands and must be accompanied by **two** checks, one for the bid and one for the \$30.00 filing fee. Each application must be submitted in a sealed envelope marked: "**Sealed Bid for Simultaneous Filing on Leasing Unit No. ___ being offered for Oil, Gas and Hydrocarbon Leasing.**" No bid will be accepted unless it includes all of the lands offered in the leasing unit. The bid checks of all unsuccessful applicants will be returned to the applicant; the application fee is non-refundable.

For more information, contact:

Dave Grierson
Division of Forestry, Fire and State Lands
PO Box 145703
Salt Lake City, UT 84114-5703
(801) 538-5504
davegrierson@utah.gov

The street address for express deliveries is:

Division of Forestry, Fire & State Lands
1594 West North Temple, Suite 3520
Salt Lake City, UT 84116-3154.

The leasing units are offered with the following stipulations and conditions.

- Leases will be for a primary term of ten years with an annual rental of \$1.00 per acre per year or a minimum of \$20 per year, whichever is higher.
- The minimum bid is the first year's rental.
- The royalty rate will be 12½ percent for oil and gas, sulfur and by products, and 6¼ percent on other hydrocarbon substances.
- Lease Unit 1 is in Beaver County.
- Lease Unit 2 is in Sanpete County.

LEASING UNIT NO.	DESCRIPTION	ACRES/COUNTY
1	T30S, R7W, SLBM Section 3: SE/4, and S/2 NE/4 Section 10: N/2 NE/4	321.89 acres Some Surface Stipulations and restrictions
2	T15S, R3E, SLBM Section 30 metes and bounds description available upon request (see map)	3.54 acres No surface occupancy

Copies of applications, maps, metes and bounds descriptions for all leasing units, and surface stipulations for Leasing Unit Number 1 are available on the web at:

<http://www.ffsl.utah.gov/lease/leaseinfo.php>